Viability of I.R.D.P. Loan Schemes

1170. SHRI DEBENDRA NATH BARMAN: Will the Minister of AGRICULTURE be pleased to state:

(a) what are the viability percentage of I.R.D.P: loan schemes, State-wise, details thereof;

(b) whether banks are following I.R.D.P. guidelines; and

(c) whether any survey has been conducted recently to assess the success of such loans, if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF RURAL DEVELOPMENT IN THE MINISTRY OF AGRICULTURE (SHRI RAMANAND YADAV): (a) Projects under Intergrated Rural Development are formulated by Block officials and District Rural Development Agencies after consulting the beneficiaries and the bank officials keeping in view the skills of the beneficiaries, local resources and other aspects of viability such as marketing etc. Data regarding viability percentage of IRDP schemes is not maintained in this Department.

(b) The banks, by and large, are following the IRDP guidelines. Wherever instances of any particular bank not having followed the guidelines are brought to the notice of this Department, the matter is taken up with the Bank concerned, RBI, NABARD or the Banking Division of the Ministry of Finance.

(c) From October, 1985 onwards a Concurrent Evaluation Study in 36 districts covering 72 block with the sample size of 10 old and 10 old new beneficiaries on random sample basis is being carried out every month. A 12-monthly report (October, 1985 to September, 1986) has been compiled. According to this, at the national level in about 45 per cent of cases no amount of loan is overdue. In about 33 per cent cases the overdue is less than Rs. 1000. Reasons for overdue are inadequate incremental income, tight schedule of repayment and unforeseen calamities etc. In 59 per cent cases the overdue was due to inadequate income from the scheme. In another 30 per cent cases due to tight repayment schedule and the overdue to unforeseen calamities like illness/death etc. were in obout 9 per cent cases.

The Concurrent Evaluation Report also indicates that 52 per cent of old beneficiaries (assisted during 6th Plan) have crossed the old poverty line of Rs. 3500 and 12 per cent have crossed the revised poverty line of Rs. 6400.

Income Generated by I.R.D.P. Loans

1171. SHRI M. A. BABY: Will the Minister of AGRICULTURE be pleased to state:

(a) how much incremental income generated by the I.R.D.P. loans in the range of Rs. 500 PM and above during the first three years;

(b) what is the further planning to improve IRDP schemes; and

(c) what are the recovery rates?

THE MINISTER OF STATE IN THE DEPARTMENT OF RURAL DEVELOPMENT IN THE MINISTRY OF AGRICULTURE (SHRI RAMANAND YADAV): (a) According to a study by the Programme Evaluation Organisation of the Planning Commission 88 per cent of the sample households have received incremental income. According to a study by the National Bank for Agriculture and Rural Development, the average incremental income that accrued as a result of participation in the IRDP worked out for the sample units, an increase of 82 per cent over the average pre-development income was observed. According to the 12-monthly Concurrent Evaluation Study (October 1985 to September 1986) in about 26 per cent of the cases incremental income generated by assets per year was more than Rs. 2000

and in about 24 per cent cases increase was between Rs. 1001 to Rs. 2000. In 15 per cent cases increase was between Rs. 501 to Rs. 1000. In about 11 per cent cases it was upto Rs. 500 per year. Thus, in 65 per cent of the cases, there has been incremental income exceeding Rs. 500.

(b) On the basis of findings of major evaluation studies carried out during Sixth Plan as well as concurrent evaluation studies, various steps have already been taken to revamp the IRDP. The steps taken are given in the enclosed Statement. (*See* below).

(c) According to 12 monthly Concurrent Evaluation studies, 45 per cent of the sample household had no overdues. In about 33 per cent cases overdues were less than Rs. 1000 and in 16 percent cases the overdues were between Rs. 1000 to Rs. 2000. Only in 6 per cent of cases the overdues were more than Rs. 200.

Statement

Steps taken to improve the implementation of the IRD Programme in the VIIth Five Year Plan

1. The poverty line has been kept at Rs. 6400. The income of the assisted families is to be raised to this level;

2. For identification purposes the cut off point has been raised to Rs. 4800 per family. However, all the families with income upto Rs. 3500 have to be covered before taking up families with higher income;

3. A higher investment per family including package of assistance to enable proper return on investment, for new beneficiaries;

4. Supplemental dose of assistance of those families assisted during VIth Plan who have not been able to cross the poverty line, for no fault of their own;

5. The approach of uniformity has been changed to one of selectivity based on poverty incidence;

6. Identification of beneficiaries must involve the people's representatives much more closely;

7. Efforts to improve the linkages through identifying bodies at district level for this purpose or the establishment of District Supply and Marketing Societies.

8. Increasing the coverage of women beneficiaries to 30 per cent;

9. Initiating a new scheme for the proper coordination of the training effort through the establishment of Composit Rural Training and Technology Centres.

10. The administrative set up at block, district and State level should be streamlined and strengthened, wherever necessary. A High Level Committee was also appointed to review the existing administratve arrangements for implementation of rural development programmes. The Committee has submitted its reports to Planning Commission.

11. Improvement in the functioning of banks, particularly at the grassroot level;

12. Creating a better climate of awareness of beneficiaries and their proper organisation;

13. A greater involvement of voluntary agencies will be sought for implementation of IRDP schemes, including TRYSEM, to enable new types of family oriented projects to be implemented in a most effective manner; and

14. A new system of concurrent evaluation on the basis of taking up 36 districts, 72 blocks and a group of 10 current beneficiaries and 10 beneficiaries who received their assistance two years ago, per month has been introduced to have a closer monitoring of the programme.